

NEIL ABERCROMBIE
Governor



State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512

RUSSELL S. KOKUBUN
Chairperson, Board of Agriculture

JAMES J. NAKATANI
Deputy to the Chairperson

TESTIMONY OF RUSSELL S. KOKUBUN
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON AGRICULTURE

WEDNESDAY, FEBRUARY 2, 2011
9:40 A.M.
CONFERENCE ROOM 312

HOUSE BILL NO. 1185
MAKING AN APPROPRIATION FOR THE OPERATION AND MAINTENANCE OF THE EAST
KAUAI IRRIGATION SYSTEM

Chairperson Tsuji and Members of the Committee:

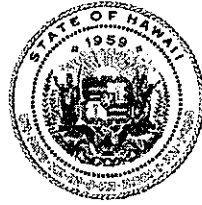
Thank you for the opportunity to testify on House Bill No. 1185. The purpose of this bill is to appropriate operation and maintenance funds for the East Kauai Irrigation System (EKIS). The department supports the intent of this bill.

The EKIS is currently being maintained by the East Kauai Water Users Cooperative. A majority of the intakes, reservoirs, tunnels, and transmission ditches are located on State owned lands. A significant portion of the service area is also on State owned land. In recognition of the State's interest in keeping this area viable agriculturally, the State Legislature and/or Agribusiness Development Corporation has contributed funding to assist in the maintenance of the system. The Department of Agriculture has also provided assistance to the continuation of this system by designing and contracting improvements to the Wailua and Upper Kapahi Reservoirs and replacing the upper Kapahi and Wailua flumes. In return, members of the cooperative



have matched the funds with countless hours of volunteer time and effort. The continuation of this system is important to the State's goal of food security to the maximum intent possible.

NEIL ABERCROMBIE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

WILLIAM J. AILA, JR.
INTERIM CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

GUY H. KAULUKUKUI
FIRST DEPUTY

WILLIAM M. TAM
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
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HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

**Testimony of
WILLIAM J. AILA, JR.
Chairperson**

**Before the House Committee on
AGRICULTURE**

**Wednesday, February 2, 2011
9:40 AM
State Capitol, Conference Room 312**

**In consideration of
HOUSE BILL 1185
MAKING AN APPROPRIATION FOR THE OPERATION AND MAINTENANCE OF
THE EAST KAUAI IRRIGATION SYSTEM.**

House Bill 1185 would appropriate \$100,000 in each of the next two fiscal years for the operation and the maintenance of the East Kauai Irrigation System. The Department of Land and Natural Resources (Department) takes no position on the appropriation proposed in this measure. The Department does recognize the merits of having a planned environmental education facility adjacent to the Wailua Reservoir and anticipates added value to the facility based on proposed activities that involve the Reservoir.

Thank you for this opportunity to provide testimony.

COMMITTEE ON AGRICULTURE

DATE: Wednesday, February 2nd, 2011

TIME: 9:40am

PLACE: Conference Room 312

RE: MAKING AN APPROPRIATION FOR THE OPERATION AND MAINTENANCE OF THE EAST KAUAI IRRIGATION SYSTEM.

Aloha Chair Tsuji, Vice Chair Hashem and Members of the Committee,

Syngenta Hawaii supports HB 1185. HB 1185 would appropriate funds for the continued operation and maintenance of the east Kauai irrigation system. These funds are critical to the continued success of existing farming operations and the development of future agricultural operations in East Kauai. Without water and infrastructure to deliver water, farmers cannot survive. The members of the East Kauai Water Users' Cooperative (Cooperative) have worked tirelessly for years to maintain the existing infrastructure which provides value not only to farmers but to residents and visitors alike. Please help them continue their efforts to provide this valuable service to the people of Kauai.

Thank you for the opportunity to submit testimony.

Mahalo,

Laurie Goodwin

Laurie Goodwin
Hawaii State Affairs Manager
Syngenta Hawaii LLC
7050 Kaunualii Highway | Kekaha, HI 96752
PO Box 879 | Waimea, HI 96796
office: 808-337-1408 Ext. 120 | mobile: 808-652-0768
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STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION
235 S. Beretania Street, Room 205
Honolulu, HI 96813
Phone: (808) 586-0186 Fax: (808) 586-0189

**TESTIMONY OF ALFREDO LEE
EXECUTIVE DIRECTOR
AGRIBUSINESS DEVELOPMENT CORPORATION**

BEFORE THE HOUSE COMMITTEE ON AGRICULTURE

**WEDNESDAY, FEBRUARY 2, 2011
9:40am
CONFERENCE ROOM 312**

**HOUSE BILL NO. 1185
MAKING AN APPROPRIATION FOR THE OPERATION AND MAINTENANCE
OF THE EAST KAUAI IRRIGATION SYSTEM**

Chairperson Tsuji and Members of the Committee:

Thank you for the opportunity to testify on House Bill 1185. The Agribusiness Development Corporation (ADC) supports the intent of this bill, which would appropriate to the East Kauai Water Users' Cooperative (Coop) for the next two fiscal years as general funds to be expended by ADC for the operation and maintenance of the East Kauai Irrigation System (EKIS).

The ADC has assisted the financially strained Coop by expending appropriated general funds to maintain the EKIS since 2002. However, no appropriations had been granted to cover the last two years. The need to continually maintain and upgrade the infrastructure is critical because the Coop's operating funds have been limited, and due to the two year lapse in appropriations, now more than ever this support is urgently needed.



**East Kauai
Water Users' Cooperative**

4334 Rice Street, Suite 202
Lihue, Kauai Hawaii 96766
Phone: 808-246-6962
Fax: 808-245-3277

TO: Rep. Cliff Tsuji, Chairperson
House Agriculture Committee

February 1, 2011

RE: Testimony on HB 1185 Relating to the East Kauai Irrigation System

Chairperson Tsuji:

My name is Jerry Ornellas. I am the president of the East Kauai Water Users' Cooperative. I am testifying in favor of HB 1185.

Amfac sugar company announced in 2001 that it was ceasing operation of its ditch system comprising 30 miles of ditch and two reservoirs serving a total of 4,000 acres—2,000 acres of State and private land in Kapaa and 2,000 acres of State land in the Kalepa area. The Cooperative was formed in 2001, took over **management** of the State-owned system in 2002, and is about to enter its ninth year of successful operation. The Cooperative is faced with this problem for operations and maintenance: large portions of the land served by the ditch and recently sold by the sugar company or leased out by the State remain fallow or, in the case of the Kalepa area, are occupied by ranchers or farmers just developing the land.

Income from the users is today insufficient to pay the normal operations and maintenance expenses on the system. In 2010, the Coop was operated on a cash budget of \$72,960. \$20,460 was paid in by members, the balance from State and County grants. Volunteer in-kind contributions totaled \$130,000 for the year. Membership has remained the same this past year, and water is being delivered in an efficient and reliable manner.

Over the past several years, the State has invested about \$2.6 million in **capital improvements** to the system. When the work is complete, the system will be in excellent operating condition. One consequence of the upgrades, however, is increased maintenance work on the part of the Coop, for example, on the faces of the reservoir dams. These are being cleaned of trees and brush under the CIP program and have to be kept clear by the Coop on a regular basis—a new expense.


The East Kauai irrigation system is the only system in the State run by the community. It is an excellent example of State/citizen cooperation, in that the citizens benefit from the use of the system and the State benefits directly by the continued existence of Fern Grotto and Wailua Reservoir. In the case of **Fern Grotto**, the health of the ferns are directly dependent upon the supply of water to the grotto from Reservoir 21 of our system which sits directly above the grotto. When Amfac let this reservoir dry up a few years ago, the ferns started to die off. When the Coop restored water, the ferns rejuvenated, and with them the prospects of the many businesses dependent upon the grotto. If the State were to operate the irrigation system itself to feed Reservoir 21, it would be prohibitively expensive.

Second, the State has plans to develop a Public Fishing Area, a camp ground and an educational center at **Wailua Reservoir**. These will be excellent additions to our island, enhancing both the tourist experience and the education of our children. Again, the reservoir is maintained by the Coop and the State avoids the considerable expense of maintaining this artificial body of water.

Third, the Coop controls the water system in the 6,500 acres of "**Kalepa**" **State lands** near Hanamaulu. This water system is essential for the development of agriculture on these lands, which are some of the few remaining areas available for ag development on State land.

I respectfully ask for your support and passage of this bill.

East Kauai Water Users' Cooperative

A handwritten signature in cursive script, reading "Jerry Ornellas".

Jerry Ornellas, President

Kauai County Farm Bureau

Affiliated with Hawaii Farm Bureau Federation

P.O. Box 3895 • Lihue HI 96766

808-337-9944 (phone/fax) 808-652-3217 (cell)

kcfb@hawaiiantel.net

The Voice of Kauai's Agriculture



February 1, 2011

ATTN: Committee on Agriculture
Rep. Clift Tsuji (Chair) and Members of the Committee

RE: HB1185 Relating to the East Kauai Irrigation System
Testimony of Kauai County Farm Bureau in SUPPORT
Roy Oyama, President

HEARING DATE: February 2, 2011 – Ag

Kauai County Farm Bureau on behalf of our member farm and ranch families, and affiliated with Hawaii Farm Bureau Federation, **requests your support of HB1185**, requesting \$100,000 in funding over two years to support operations and maintenance of the East Kauai Irrigation System.

It is a stated goal of our government to work together to provide for a sustainable and prosperous future for our state and its diverse communities, with greater food security.

Maintaining water infrastructure and strategically upgrading it is critical to promoting the growth of diversified agriculture on Kauai and we therefore ask for your renewed support.

This state owned system serving State and private land in Kapaa and Kalepa has been managed and maintained by the East Kauai Water Users' Cooperative over the past nine years through a combination of State and County grants and with volunteer assistance and support. The state has invested \$2.8 million in capital improvements, which when completed and maintained will ensure these reservoirs and ditches are in excellent operating condition.

This request has been identified as a top shared priority across agricultural commodities on Kauai. The Kauai County Farm Bureau Commodity Groups Committee currently includes members of Kauai County Farm Bureau, Kauai Cattleman's Association, Kauai Taro Growers Association, Kauai Landscape Industry Council, Kauai Coffee growers, Hawaii Tropical Fruit Growers, Hawaii Crop Improvement Association and Hawaii Tropical Flower & Foliage Association/Hawaii Floriculture & Nursery Association. The Committee works closely in partnership with Government Affairs to gather input on specific commodity needs and identify shared Kauai issues, of which water infrastructure and specifically this project has been identified as a priority in 2011.

Please lend your support to HB1185. Mahalo for your consideration.

Sincerely,

Roy Oyama
President – Kauai County Farm Bureau
Oyama_farm@yahoo.com

CC: Melissa McFerrin
Executive Administrator – Kauai County Farm Bureau
kcfb@hawaiiantel.net



Hawaii Farm Bureau
F E D E R A T I O N

2343 Rose Street, Honolulu, HI 96819
PH: (808)848-2074; Fax: (808) 848-1921

February 1, 2011

TESTIMONY

Re: HB1185 MAKING AN APPROPRIATION FOR THE OPERATION AND MAINTENANCE OF THE EAST KAUAI IRRIGATION SYSTEM

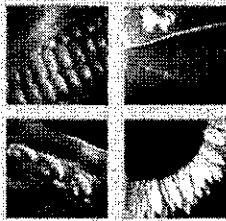
Chair Tsuji and Members of the Committee:

Hawaii Farm Bureau on behalf of our commercial farmers and ranchers on Kauai, strongly supports HB1185 appropriating funds for the continued operation and maintenance of the east Kauai Irrigation system.

Irrigation is critical for farming in East Kauai. We support Kauai Farm Bureau's position to assist in this endeavor to ensure the viability of the farmers and ranchers served by the system.

We appreciate this opportunity comment on this subject. If there are any questions, please contact Warren Watanabe at 2810718.

Thank you.



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Alicia Maluafiti

Hawaii Crop Improvement Association

Growing the Future of Worldwide Agriculture in Hawaii

Testimony By: Alicia Maluafiti

HB 1185 - MAKING AN APPROPRIATION FOR THE OPERATION AND MAINTENANCE OF THE EAST KAUAI IRRIGATION SYSTEM

The House Committee on Agriculture

Wednesday, February 1, 2011

Room 312, 9:40 a.m.

Position: Strongly Support

Aloha Chair Tsuji, Vice Chair Hashem and members of the Committee:

My name is Alicia Maluafiti, Executive Director of the Hawaii Crop Improvement Association, a nonprofit trade association representing the seed industry in Hawaii. HCIA strongly supports HB 1185.

Currently, four of five of HCIA's member seed companies maintain operations on the island of Kauai therefore they are vested in the agricultural future of their communities. But like most islands, their 100-year old irrigation system now owned by the state and operated by a Kauai cooperative is in disrepair and facing serious maintenance issues. Any disruption in delivering water to farmers could severely impact their viability as we saw after the earthquake on the big island.

We implore upon the state to approve an appropriation for the continued operation and maintenance of the East Kauai Irrigation system. We also encourage the state take to take a serious look at the irrigation systems on other islands facing similar challenges.

We ask you to please pass HB 1185. Mahalo for the opportunity to comment.

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